Enhanced Automation Case Study 5

HVAC & Lighting Controls / Retail Chain



# their California stores.

## Staples to shed 2.8 MW across 119 stores from a single location.

■ Site Size: 2.6 million ft<sup>2</sup>/ 119 stores

■ Building Type: Retail, multi-site

■ Participant: Staples, Inc.

- Project Cost: \$320,000
- Project Incentives: \$300,000
- Primary Benefit: 2.8 MW curtailable demand

n response to the California electricity crisis, Staples, Inc.'s headquarters investigated ways to insulate their California stores from record-high wholesale electricity rates. With funding from the California Energy Commission and help from Energy Logic, Inc., an energy consulting firm, Staples installed wireless control technology that allows them to automatically reduce the lighting and HVAC loads at up to 119 of their California stores. Staples can now to curtail up to 2.8 MW of demand within minutes without compromising customer comfort.

- Rising energy costs
- Decentralized loads throughout retail chain
- Unreliable energy supply

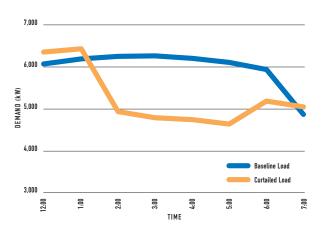
- Automated control of lighting and HVAC loads
- Centralized control of decentralized loads
- Load verification metering system



From their headquarters in Massachusetts, executives at Staples, Inc., were watching with increasing

concern as the energy crisis unfolded in California during the summer and fall of 2000. About 200 of Staples' 1,300 office supply superstores were located in the territories of the three California investorowned utilities, which were paying record-high wholesale electricity prices. In southern California, the high cost of energy was being passed on to retail customers—including Staples. The waves of rolling blackouts that followed in the early months of 2001 did little to assuage Staples' concerns about the future cost and supply of energy in the state of California.

#### Baseline versus Curtailed Load at 70 Staples Stores



The graph above compares baseline and curtailable energy demand in 70 of Staples'119 California stores. The curtailed demand was measured July 3, 2001, on which curtailment began at 1:00 p.m in response to a Stage 2 emergency. The baseline demand was calculated as the average demand over five consecutive non-holiday weekdays preceding July 3, 2001.



Energy Logic, Inc., an energy-consulting firm in Massachusetts, devised and implemented an energy management plan for Staples that would help insulate their California stores from surging demand charges and rolling blackouts. The plan involved the installation of wireless control technology that allows Staples

personnel to send electronic pages directly from the Internet to automatically reduce the lighting and HVAC loads at up to 119 California stores. To verify the load reductions, Staples also installed modem-enabled utility meters at each of the stores. Energy Logic, Inc. secured funding for the project from the California Energy Commission.

"Having the ability to curtail peak demand from virtually anywhere and within a matter of minutes gives us leverage to deal with electric price volatility and high demand charges."

"With our enhanced automation system, we are not only more insulated from price volatility, we are also in a position to take advantage of real-time pricing and demand reduction programs"



"Enhanced automation not only has resulted in significant cost and energy savings for Staples, it has also enabled us to help prevent rolling blackouts in our communities."

- Energy cost savings
- Automated load shedding
- Consistency of operation across multiple stores
- Ability to participate in incentive programs



Staples now has the ability to curtail up to 2.8 MW of demand within minutes without affecting customer comfort. This not only can lead to significant savings in demand charges during peak usage periods, but also strengthens the reliability of regional electricity supplies in the event of a Stage 2 or Stage 3 emergency.

This capability, along with the load-verification metering system, also enables Staples to participate in a program of the California Independent System Operator that pays incentives for each kW reduced during peak demand times.

Because the system is based on wireless Internet paging technology, the lighting and HVAC equipment at the 119 stores can be controlled from Staples headquarters in Massachusetts. This centralized remote control helps Staples ensure consistency of operation among all its stores, which was a key criterion for their new system.

Staples' new energy information system allows Staples personnel to access and view 15-minute meter data from a password-protected Web site as soon as the following day. Data is being archived on the site so that Staples can analyze energy use patterns to make even further improvements in efficiency. By reviewing demand levels as soon as the following day, Staples is able to verify that the paging signals are successfully reaching the facilities and controlling the targeted equipment.

#### PROJECT SITE DESCRIPTION

- Location: **Throughout California**
- Size: 2.6 million ft<sup>2</sup>
- **■** Space Function: Retail
- Number of Stores: 119
- Contact: Bob Valair, **Director of Energy Programs**

#### **Energy Usage**

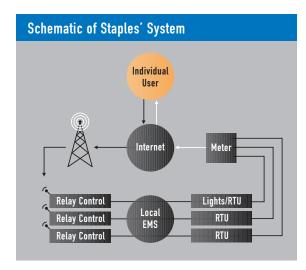
- Peak Demand: 12.8 MW
- Curtailable Demand: 2.8 MW

#### **Equipment Installed**



### **Technical Information**

Staples' California locations were already utilizing a Novar energy management system with direct digital controls over the lighting and HVAC systems. The challenge was creating a load-curtailment strategy that could be activated at all 119 stores within a half an hour and from Massachusetts headquarters. Carolyn Banks of Energy Logic—Staples' energy consultant—first investigated a radio-activated relay



system, but discovered that Staples would be unable to purchase the use of radio antennae needed to carry the radio signals. Banks therefore recommended, and Staples purchased, a paging-activated relay system offered by Cannon, which would give Staples wireless centralized control via pages that are activated from Web-enabled software. It also would allow Staples to use any of the available paging carriers.

The are two basic components of the Internet paging system: a set of three relays, which were installed in each store and wired into the store's EMS, along with Web-enabled software that allows equipment operation to be scheduled and activated over the Internet. Each of the three relays corresponds to a curtailment level. Level one reduces half of a store's lighting and powers down one rooftop HVAC unit (RTU). Each additional relay powers down one more RTU. The relays can be activated all at once or in stages. The software that initiates the pages is linked to a Web server, so Staples personnel can program the activation of relays through a standard browser from virtually anywhere.

Because Staples wanted to be eligible for participation in a demand reduction program offered by California's Independent System Operator, Staples needed to install a utility-grade interval meter at each of the 119 facilities. These meters measure a store's energy use in 15-minute increments and are equipped with a telephone modem. Staples can log onto a Web site, which is provided by Datapult—an energy information service provider that collects and archives raw meter data—and view and analyze their energy consumption information in a variety of formats. This system gives Staples next-day access to their metered data.

#### TAKING THE NEXT STEP

Free resources are available from the California Energy Commission.

- Business Case Guidebook
- Technical Options Guidebook
- Contractor and Vendor Lists
- **■** Technical Assistance
- **Case Studies**
- Alameda County

  HVAC Controls/

  Government Facility
- Hewlett-Packard
  Company
  HVAC and Lighting Controls/
  Office Campus
- Comerica Building
  HVAC and Lighting Controls/
  Large Office Building
- Foothill-De Anza
  Community Colleges
  HVAC and Lighting Controls/
  College Campuses
- Doubletree Hotel
  Sacramento
  HVAC and Lighting Controls/
  Hotel and Convention Center

Contact us for free materials or for further information:

- **1-866-732-5591**
- enhancedautomation@xenergy.com
- www.energy.ca.gov/ enhancedautomation

#### Additional Resources

- California Energy
  Commission
  www.energy.ca.gov/
  peakload/index.html
- Cash for Kilowatts Web site www.energy.ca.gov/peakload/cash\_kilowatts.html (also for 50-200 kW demand)
- Your local utility
  - www.sdge.com/business/drp.html
  - www.pge.com/003\_save\_energy/
    003b bus/index.shtml
  - www.sce.com/sc3/002\_save\_ energy/002i\_load\_redn/default.htm